



Foreign Agricultural Service

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## Japan

### Market Development Reports

*Periodic Press Translations from ATO Tokyo*

**2002**

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**Report Highlights:** A summary of current news reports in America's largest food and agricultural export market as translated from Japan's mass media and food press. This issue includes: Food Labeling Watcher System among new consumer-oriented government and retailer initiatives to ensure food safety; the Japan Chain Stores Association develops its own food labeling standard for fresh products; high chemical residues are detected in Chinese spinach sold at Jonathan's family-style restaurant; Aleph enters institutional food service business; demand for residential land forecast to shrink to two-thirds of current level by 2010; and Japanese government considers creation of independent food safety committee in 2003.

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## Food Business Line

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### Retail/Wholesale

- In response to recent food safety and labeling scandals, consumers and retailers are attempting to make sure that their food is safe. For example, the Agriculture Ministry's "Food Labeling Watcher System," in which local governments appoint consumers to monitor food labels on the spot at the stores, has been well received by consumers. It has been introduced in 17 prefectures so far. Major supermarket retailer *AEON* (formerly *Jusco*) also has introduced a test system in one of its stores in Kanagawa which enables customers to view information about producers and agricultural pesticides used. (a 5/20)
- In an effort to regain consumer confidence following the recent food labeling scandals, the *Japan Chain Stores Association* has developed its own unique food labeling standard for fresh products sold by its members. The new standard is scheduled to be implemented in September. (b 5/21)
- In an effort to create a good food safety image and increase communication between buyers and sellers, more and more supermarkets are introducing open-style kitchen areas in their stores where customers are able to view the cooking process. For example, *Ito-Yokado* has set up a demonstration counter for heating *mochi* and *dango* rice-cakes and Chinese dumplings; *Queens Isetan* has purchased a stage kitchen where customers can watch bread being baked; and *Seiyu* has introduced a unique rotisserie machine which cooks *himono* (dried cured fish). (a 5/22)

### Food Service

- As much as 12 times the level of agricultural chemical residues permitted under the Food Sanitation Law was detected in frozen spinach from China sold at *Jonathan's* family-style restaurant chain. The Tokyo Metropolitan Government requested *Jonathan's Co., Ltd.* (a subsidiary of *Skylark*) to recall the product on May 23. *Jonathan's* immediately suspended its use and established a team to investigate the problem. (a 5/23)
- *Aleph*, owner of "Bikkuri Donkey," a western-style hamburger steak restaurant chain, announced it will launch a new institutional food service business. *Aleph* plans to start with managing the meal service and contract restaurant/cafeteria operations of the *Sapporo Shin-Seiki Hospital* in Hokkaido. It hopes to further expand its institutional food service business nationwide in the near future. (b 5/21)

### Food Processing/New Products/Market Trends

- Due in large part to Japan's decreasing birthrate, demand for residential land is forecast to shrink to two-thirds of its current level by 2010, creating a surplus of homesites, according to the Land, Infrastructure and Transport Ministry. In order to prevent land prices from falling further, the Ministry plans to change its policy of promoting housing development to curbing it. (a 5/19)
- The Japanese government is considering the creation of an independent food safety committee in fiscal 2003 which will recommend policies to the Agriculture Ministry and the Health, Labor

and Welfare Ministry. The new organization's structure and specific powers to be transferred from related ministries will be decided by the end of August. (a 5/31)

- The Osaka Police Authority has begun an investigation of *Duskin Co., Ltd.*, a major cleaning supplies rental company and operator of the "Mister Donut" fast food chain, for violating the Food Sanitation Law. *Duskin* is accused of selling beef dumplings manufactured in China which contain the food additive, TBHQ. While this additive is approved in both China and the United States, it is not authorized for use in Japan. (a 5/22)
- Hyogo Prefectural Police arrested former Senior Managing Director and former Managing Director of *Snow Brand Foods* on May 18 for misuse of the Japanese Government's subsidy system of buying and incinerating excess domestic beef following the detection of BSE in Japan. (a 5/19)

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### Sources

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|----------------------------------|---|
| (a) The Japan Economic Newspaper | (b) The Nikkei Marketing Journal        |
| (c) The Japan Food Journal       | (d) The Beverage & Food News Commentary |
| (e) The Japan Food News          | (f) The Food Industry News              |

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